



Solar Energy: Public Financing Options for California's Local Governments

Hot Topics In Solar Energy
Oakland, California
October 9, 2009

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CAEATFA Mission –LOWER FINANCING COSTS

- Lower the cost of financing GHG reduction technologies
- Alternative Energy
- Advanced Transportation



California's SOLAR Program Design

California Solar Initiative (CSI)



- **Rebates: Non-Profit & Government incentives**
- **Net metering**
- **Federal Tax Credits & Accelerated Depreciation**
*note that higher rebates for non-profit and government
- **Solar Rights**
- **State Property Tax exemptions (non-profit / gov higher)**
- **Distributed Generation (DG)**
focus on customer side of meter – electricity only



California's Evolving SOLAR Programs



- Solar Water Heating Efficiency Act
- Renewable Portfolio Standard (RPS)
- AB 32 reduce GHG to '90 levels
- Feed-in Tariffs
- Gas and Electricity displacement?





California Legislature 2009

- **RPS:** SB 14, AB 64, Executive Order
 - 20% '10 to 2013
 - 33% by 2020
 - Out of State power delivery
 - RECs limited to 25-30% of 2020
 - PUC 19 month transmission approval
 - Expected veto
- **AB 1x:** AB 413, SB 695
 - PUC to increase non-CARE residential Tier 1 & 2 rates over time
 - PUC can employ time-variant rates after 1/2014
 - On Governor's desk





California Legislature 2009

Net Metering – Lift cap

- **AB 560**
 - Lifts cap for 2.5% to 5%
 - Prohibited solar installers for projects greater than 250 kW
 - Held in Senate Business & Professions Committee

Net Metering- Sell Excess Power

- **AB 920**
 - NEM customers may sell excess power
 - Rate determined by PUC
 - Governor's desk
- **SB 7**
 - Held

Energy Efficiency KEY

- **AB 578**
 - CEC develop audit plan for residential and nonresidential building stock
 - PUC consider Utility financing programs
 - PUC Triennial EE report
 - Governor's desk





California Legislature 2009

Self Generation Incentives

- **SB 412**
- PUC authorized for incentives that meet GHG goals
- Governor's Desk

Feed In Tariff

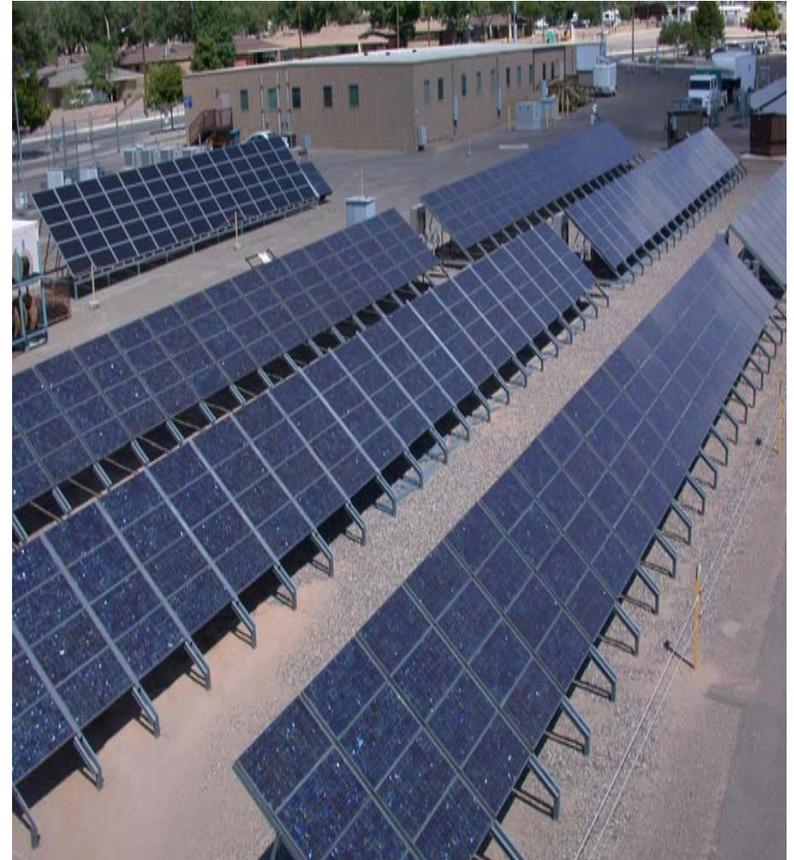
- **SB 32**
- FIT for up to 3 MW
- PUC determine price MPR +
- Increase cap from 500MW to 700MW
- Governor's desk



Federal Legislation – HR 3525 (Representative Mike Thompson)



- Provides tax exempt financing for renewables and a variety of other GHG technologies
- AB 811 Tax exempt financing district programs would be tax exempt from



Sleeper Technologies – Solar Thermal + Solar Thermal Heating & Cooling



- 27% of CA's GHG emissions are attributed to the heating and cooling of both water and space
- GHG reductions from just commercial hot water would provide reductions of 6 MMT annually



California Solar Trends / Realities



- Many Legislators want to author a solar bill
- CSI declining incentives over time for utility customers
- Net metering is key also controversial
- Must add energy efficiency measures = more cost-effective projects
- Future solar programs will be tied to GHG reductions (RPS)
- Feed in Tariff huge potential for expansion of solar program

